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*Attorneys for Plaintiffs*

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

ALESIA MILANESI, et al.,

: 07 CV 7248 (TPG)

Plaintiff,

: DECLARATION OF  
: JOSE EMILIO CARTAÑA  
: IN SUPPORT OF MOTION  
FOR SUMMARY JUDGMENT

- against -

THE REPUBLIC OF ARGENTINA,

Defendant.

X

JOSE EMILIO CARTAÑA declares under penalty of perjury as follows:

1. I am a citizen of the Republic of Argentina ("Argentina") and one of the plaintiffs in the above-captioned matter. I make this declaration in support of plaintiffs' motion for summary judgment as against Argentina. I have personal knowledge of the facts set forth below.

2. As set forth in the Complaint, it cannot be disputed that (i) I own the bonds upon which I have sued (the "Bonds"); (ii) Argentina has defaulted on its contractual obligations with respect to the Bonds; and (iii) I provided Argentina with written notice of default accelerating Argentina's payment obligations. Accordingly, summary judgment is appropriate.

3. Between December, 2001 and January, 2002, I acquired the Bonds that were issued by Argentina pursuant to a Fiscal Agency Agreement, dated as of October 19, 1994

(the "1994 Fiscal Agency Agreement")<sup>1</sup> in the aggregated principal amount of \$355,485 having the ISIN No. US040114GF14 and CUSIP No. 040114GF1. The Bonds are deposited under the name of my bank, Citi Smith Barney, and have been booked electronically by Citi Smith Barney in my name. A copy of my most recent account statement, for the period of October 1, 2007 to October 31, 2007, is annexed hereto as Exhibit 1. That statement indisputably shows that I continue to own the Bonds.

4. Notwithstanding its payment obligations under the Bonds, on or about December 20, 2001, Argentina announced an indefinite moratorium on the payment of principal and interest with respect to all of its foreign debt, including all payments due under the Bonds.

5. The declaration of the moratorium by Argentina and its failure to pay interest constitute "Events of Default" as defined by the 1994 Fiscal Agency Agreement.

6. In addition, Section 12 of the 1994 Fiscal Agency Agreement specifically defines "Events of Default" to include the following:

- (a) Non-Payment: the Republic fails to pay any principal of any of the Securities of such Series when due and payable or fails to pay any interest on any of the Securities of such Series when due and payable and such failure continues for a period of 30 days; or
- (d) Moratorium: a moratorium on the payment of principal of, or interest on, the Public External Indebtedness of the Republic shall be declared by the Republic.

7. Section 12 of the 1994 Fiscal Agency Agreement further provides that following either of the foregoing Events of Default, a bondholder may give Argentina written notice and declare "the principal amount of such Securities held by it to be due and payable immediately," together with all accrued interest.

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<sup>1</sup> A copy of the 1994 Fiscal Agency Agreement is annexed to the Complaint as Exhibit A.

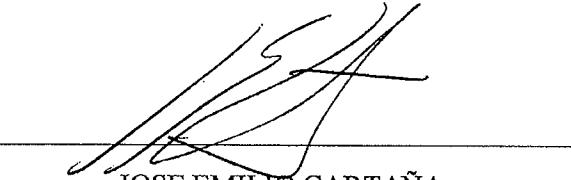
8. By letter dated August 13, 2007, I provided Argentina with written notice that I was declaring the principal and interest on the Bonds to be due and payable. A copy of that letter is annexed hereto as Exhibit 2.

9. Since then, Argentina has failed to make any payment of principal or interest to me.

10. By reason of the foregoing, Argentina has defaulted on its obligations, and summary judgment is warranted as against it.

I declare under penalty of perjury under the laws of the United States of America that to the best of my knowledge the foregoing is true and correct.

Dated: November 30, 2007



JOSE EMILIO CARTAÑA

# **EXHIBIT 1**



## Financial Management Account

AT SMITH RABNEY

Ref: 00000841 00004307

October 1 - October 31, 2001

October -

THE JOURNAL OF CLIMATE

LOGIC GAMES IN CARTAGENA

Song 5

*Dimensional nature of income taxes based on consumption and investment*

Unrealized gains or losses have been adjusted to account for the accretion of CUS (original issue discount), the amortization of premium, and/or the accrual of market discount.

**Call features shown indicate the next regularly scheduled call date and price. Your holdings may be subject to other redemption features including sinking funds or expansion calls.**

International bands

Please note: Amounts are denominated in the currency of the issue. Price is a function of exchange rate and market price. Market value is denominated in U.S. dollars. Changes in exchange rate will affect the face value in U.S. dollars and market value.

\* If realized Gain/Loss is only calculated when an original cost basis is available

# **EXHIBIT 2**

# DREIER LLP

ATTORNEYS AT LAW

Cara S. Mittleman  
Direct 212 328 6119  
cmittleman@dreierllp.com

August 13, 2007

**CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

The Republic of Argentina  
c/o Deutsche Bank, as Fiscal Agent  
60 Wall Street  
New York, NY 10005

Attn: Mr. Stan Burg

**Re: Notice of Acceleration**

Dear Mr. Burg,

We write this letter on behalf of our client, Jose Emilio Cartaña.

Mr. Cartaña is the owner of certain bonds issued by the Republic of Argentina (the “Republic”) pursuant to a Fiscal Agency Agreement, dated as of October 19, 1994 (the “Fiscal Agency Agreement”). In particular, Mr. Cartaña is the owner of the following bonds issued by the Republic:

| <u>Face Amount</u> | <u>ISIN No.</u> |
|--------------------|-----------------|
| \$ 355,485         | US040114GF14    |

Pursuant to paragraph 12 of the Fiscal Agency Agreement, we hereby provide the Republic with notice that Mr. Cartaña declares the principal of and interest on the foregoing bonds to be immediately due and payable. The entire corpus and interest earned to date should be forwarded to this firm, as counsel for Mr. Cartaña.

Very truly yours,

Cara S. Mittleman

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